SWE Day-ahead market coupling

25th October 2012

6th Stakeholders Group meeting
Madrid

http://www.acer.europa.eu/Electricity/Regional_initiatives/Meetings/6th%20Stakeholder%20Group%20meeting%20of%20the%20ERI%20SW%20region/default.aspx?InstanceID=1

13th November 2012
CFAI RTE
Paris

Context for Day-ahead market coupling

Goal : implicit day-ahead coupling of the SWE region to the NWE region

➔SWE Region ACER's Roadmap 2011-2014 : coupling of SWE region by end of 2012

➔XXI Florence Forum : European single internal market by 2014

➔10th IG group meeting (14/5/2012) : enter in a project phase through the signature of a Cooperation Agreement between the parties

The involved parties



Cooperation agreement for the design of the pre- and post-coupling

The Transmission System Operators : REE, REN and RTE

The Power Exchanges : EPEX Spot and OMIE

The Cooperation Agreement is finished and the signing is in process.

- **The goals of the design phase :**
  - **Specify pre- and post-coupling arrangements**
  - **Analyze impacts and changes to be made**
  - **Prepare for the implementation phase**

Pre-coupling and post-coupling

- **Pre-coupling describes the process of sending and validating the ATC/NTC needed for the Coupling.**
- **Post-coupling describes the process of settlement and billing of the scheduled cross border exchanges between the different price areas and the payment of the congestion rent.**

Fall back situations

- **Fall back situations procedures are the procedures which explain how to manage:**
  - **Absence of transfer capacity information for a border in the last permitted moment**
  - **Non-coherent transfer capacity for a border in the last permitted moment**
  - **Impossibility of solving the European Coupled market. Fall back procedure for the Spain – France border in decoupled situation.**

Cooperation agreement for the design of the pre-coupling, the post-coupling and the fall back situations

Deliverables of the design phase, currently under development

- **High Level Functional Architecture of Pre-coupling processes**
- **High Level Functional Architecture of Post-coupling processes**
- **High Level Functional Architecture of Fallback procedures**
- **Initial Planning of Implementation phase**
- **Analysis of confidentiality issues**
- **Analysis of regulatory changes**

Coupling design

- **The coupling process will be carried out according to the PCR (Price Coupling of Regions) methodologies, developed by the PXs**

- **The finalization of the PCR project is a prerequisite for the go live of the NWE and the SWE coupling**

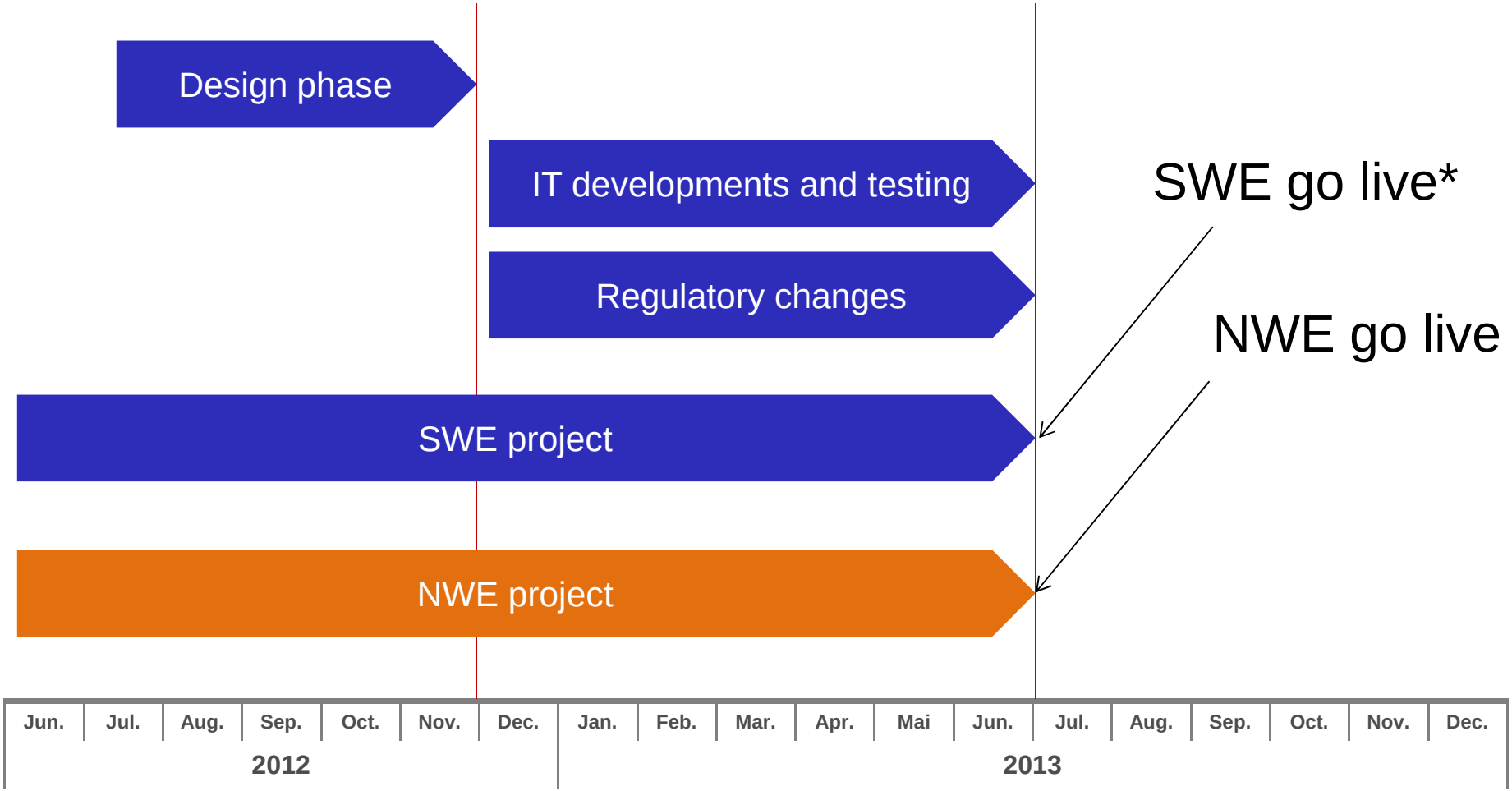
- **The SWE coupling project can go live at the same time than NWE but not before**

- **The expected Go-live of the NWE project is end of Q2 2013 (according to NWE Stakeholder Meeting of 26th September 2012)**

Status of operational and regulatory changes

- **Change of Gate Closure Time of the Iberian market to 12:00 (CET), expected before of the end of the year.**
- **A set of regulatory changes needed in Spain can be identified**
  - **High level regulation (Ministerial Order 4112/2005)**
  - **MIBEL Markets Rules and Operational Procedures in Spain**
  - **FR-ES Interconnection rules (IFE Rules)**
  - **Cooperation Agreement RTE-REE for the management of the interconnection (Contract)**
- **A set of regulatory changes needed in Portugal can be identified**
  - **Manual de Procedimento da Gestão Global do Sistema and corresponding Avisos;**
  - **Agreement between REN and OMIE.**

Preliminary planning



THANK YOU FOR YOUR ATTENTION